nection with the recovery of income-tax dues and what is the amount of assets and property that has been attached? In rural areas such arrests and attachment of property are undertaken even when income-tax dues amount only of Rs. 100 or Rs. 200. Will the Government take the same step when the income-tax dues are in crores of rupees?

SHRI RAMESHWAR THAKUR: The Government is taking action on such cases. As regards the recovery of dues, we are not able to take action promptly because of legal complications that come about through High Courts. Where there are no such hurdles, the Government activity pursues the case and recovers the dues. No concession is given in such cases.

SHRI UPENDRA NATH VERMA: I want to know the number of people arrested in connection with the recovery of income-tax dues, and the extent to which property and assets have been attached?

SHRI RAMESHWAR THAKUR: Sir, the relevant information is not available at the moment. If the hon. Member writes to me, the information will be supplied to him.

MR. SPEAKER: Hon. Member, please give it to him in writing.

(*Interruptions*)

[*English*]

SHRI RAM NAIK: Sir, the Government is trying to recover the tax arrears. That should be done. I have no quarrel about that. All taxes should be recovered as early as possible. The small tax-payers are filing their returns. In recovering the big amount, the finalisation of cases of the small tax-payers are being kept for years together. In respect of small amounts, there are cases which are pending for eight years, 10 years and like that. In respect of the small tax-payers, will the Government ensure that all such cases are finalised quickly? Of course, there is the question a stay granted by the High Court etc. I understand that. Except the cases where the Court has not given the stay, will the Government ensure that all such cases are cleared by 31st December 1991? These cases are more than three years old.

SHRI RAMEHSWAR THAKUR: According to the current policy of the Government and provisions of the Income-Tax Act all income-tax payees are supposed to submit their income-tax returns in time. The Government takes the amount of dues as 100% correct as shown in the returns. Small tax-payers do not have any problems. But the Government picks out 5% to 10% of the cases at random and scrutinizes them deeply. After scrutiny if it is found that additional amount is due, the tax payer is given the opportunity to either appeal or to pay the arrears. In this way, various cases are taken up. Appeals are considered by commissioners, tribunals or High Courts but minor cases are not referred to these bodies.

MR. SPEAKER: Mr. Minister, his question is a small one. He wants to know that will be done to expedite cases of small assessees.

SHRI RAMESHWAR THAKUR: Sir, those cases are also taken up.

(*Interruptions*)

[*English*]

SHRI RAM NAIK: I wanted an assurance from the Government that such cases will be cleared by 31st December, 1991. But the Minister has not answered to that question.

MR. SPEAKER: They are doing it. That is all.

SHRI SOMNATH CHATTERJEE: That will depend upon the assessee.

Bill Discounting Facility To Small Scale Sector

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*631. SHRI BALRAJ PASSI:
SHRI MAHESH KANODIA:

Will the MINISTER OF FINANCE be pleased to state:

(a) whether the Government propose to provide bill discounting facility to the small scale sector through refinancing by the Small Industries Development Bank of India (SIDBI) and other Banks:

(b) If so, the details thereof; and

(c) other facilities proposed to be provided to the small scale sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a), (b) and (c). A Statement is laid on the Table of the House.

STATEMENT

(a) The small scale sector currently has access to bill discounting facilities from banks which, in turn, can avail of rediscounting facility provided by SIDBI. SIDBI also currently offers certain direct discounting facilities. Whereas Government would be keen to see the wider acceptance and adoption of the bills culture by the small scale sector, it does not propose to introduce any new types of bills discounting facilities.

(b) Under the Bills rediscounting schemes of SIDBI, bills covering deferred payment sales or purchases of capital equipment to or by small scale units are discounted by banks. These, in turn, are eligible for being rediscounted by SIDBI Under the direct discounting scheme of SIDBI such bills are discounted by SIDBI directly. Under a recently introduced scheme for the direct discounting of short term bills, SIDBI discounts short-term bills drawn by units in the small scale sector on specified buyers in respect of components, parts, sub-assemblies, accessories and intermediates supplied by the small scale units to the buyers on short term credit for periods upto 90 days. Similarly, scheduled commercial banks also provide discounting facilities to the small scale sector against short term bills drawn by them covering credit sales.

(c) Government has recently announced separate policy measures for promoting and strengthening small, tiny and village enterprises with the objective of imparting greater vitality and competitiveness to the sector, particularly in order to support the growth of output, employment and exports.

[*Translation*]

SHRI BALRAJ PASSI: Mr. Speaker, Sir, I would like to know the amount of discount given by the Banks to small scale sector and also to the big industries during the last three years under the bill discounting facility?

SHRI DALBIR SINGH: Mr. Speaker, Sir, so far as the figures of the last three years are concerned it is submitted that the total amount discounted to the sick small scale industries comes to about Rs. 1 lakh 86 thousand 441, which is 10 per cent. In the other case the discounted amount is about Rs. 1 lakh 6 thousand 42 which is 8.2 percent. The Government provided discounted facilities of about Rs. 586.27 in total.

SHRI BALRAJ PASSI: Mr. Speaker, Sir, the Hon. Minister has just stated that the Government have announced separate policy measures to strengthen the small, tiny and village enterprises. Will he be pleased to provide the information in brief in that regard.

MR. SPEAKER: He has already placed the declaration on the table of the House.

SHRI MAHESH KANODIA: Mr. Speaker, Sir, the hon. Minister has stated that some policy measures have been announced to strengthen the small scale and village enterprises. Through you, I would like to know the details in that regard.

MR. SPEAKER: A declaration has already been placed on the table of the House.

[*English*]

SHRI SOMNATH CHATTERJEE: Mr. Speaker, Sir, the point is really related to the difficulties felt by the small scale industries in

recovering their dues. Now they neither have the clout nor have the organisation facility, nor the infrastructure to really pursue the recovery of these dues especially from big concerns and also Government agencies. Having been associated with this organisation, I know that the greatest difficulty is being faced. Marketing is a great problem; then comes supply and then the problem of recovering dues starts again. One procedure Is the Bill Discounting Facility. I cannot say that it is very satisfactory. I had discussions with SIDBI representative at least in Calcutta and presently the representative is Mr. Kapoor. They are saying that they are trying to help. I do not think, it has percolated to that extent. It is really a part of marketing assistance. Now the new policy, I have got a copy of that with me, says:

> "Beginning has been made towards solving this problem of delayed payment to small industries by setting up a factoring services through small Industries Development Board in the SIDBI. Network of such services will be set up throughout the country and operated through commercial banks. A suitable legislation will be introduced to ensure prompt payment to Small Industries Bill."

This is their policy. Now in the reply, it is stated that the Government does not propose to introduce any new types of Bill Discounting Facilities. Maybe, you may not have a new Bill Discounting Facility. I would like to know what is the Government's proposal to bring in this legislation which is a part of their policy, solemnly announced, which will go according to you, towards helping the small scale industries in recovering its dues for supplies made by them. This is a vital sector. I will request the Government to spell out when do they wish to bring this bill and what are the parameters of that Bill?

[*Translation*]

SHRI DALBIR SINGH: Sir, the duties which were being performed by I.D.B.I are now being performed by SIDBI. It was stipulated afterwards to provide more incentive and more benefits to the small scale industries; and for this purpose we have set up financial institutions like SIDBI etc. IDBI have invested about Rs.4200 crores in it. As the hon. Member has already submitted that only big industrialists and not the people of lower sections are benefited by it; and for the same reason, recently, the hon. Minister of Industries has announced a new industrial policy so that poor people may be able to get the benefits. Moreover, the short term loan which is supposed to be provided within the period of 90 days is delayed by 5-7 years. We have also provided the system of single window facility so that the people may not have to run from one place to another and they may have the facility of purchase, sale and refinancing at one place. That is why a new industrial policy was announced on Aug. 6, 1991 and a decision was taken in view of it. The people who are unemployed —

[*English*]

SHRI SOMNATH CHATTERJEE: They have spoken of a new legislation. This was a policy statement.

[*Translation*]

MR. SPEAKER: He wants to know whether a new law would be enacted or not. If it is to be enacted what will be the form of this enactment and when it will be enforced?

[*English*]

SHRI SOMNATH CHATTERJEE: The policy says that a suitable legislation will be introduced to ensure prompt payment to small industries bill.

SHRI DALBIR SINGH: So far as the policy is concerned, it is under discussion.

MR.SPEAKER: In your policy, you have mentioned that a law would be passed. When you want to pass it and what will be the contents of that law?

SHRI DALBIR SINGH: That is under consideration.

SHRI SOMNATH CHATTERJEE: The policy had solemnly been introduced and was announced in the House.

SHRI DALBIR SINGH: It is under consideration. (*Interruptions*)

SHRI SOMNATH CHATTERJEE: What do you mean by consideration? You have considered and mentioned that it will be brought. Are you reconsidering your policy again? (*Interruptions*)

SHRI SOMNATH CHATTERJEE: This is very important. Are you reconsidering your policy?

MR. SPEAKER: Probably, the contents of the Bill are under consideration.

SHRI SOMNATH CHATTERJEE: Sir, I also want to help him. He is a good friend of mine and I do not want to embarrass him. But, let the Government say that they are trying to think about the structure of the Bill.

MR. SPEAKER: Are you ready with the Bill or do you want to say something?

SHRI DABLIR SINGH: I have already told the hon. Member that the same is under consideration (*Interruptions*)

SHRI PRITHVIRAJ CHAUHAN: The delayed payments for small scale units is a very serious problem. In reply to the question the Minister says that under a recently introduced scheme and I think he is referring to the factoring services which are mentioned in the policy, which says that "for direct discounting of short term bills -SIDBI-short term bills drawn by units in the small scale sector by specified buyers". Is there any list with the Government of the specified buyers and or any preferential treatment is being given? Will the Government publish such lit of specified buyers?

MR. SPEAKER: Do you have a list of preferential buyers or would you like to prepare it?

[*Translation*]

SHRI DALBIR SINGH: Sir, at present, I do not have that information. Whenever it is received, it would be made available to the hon. Member. However, I have already submitted that this has been kept in view while presenting the new policy on Aug.8. All the aspects have been kept in view and the concerned Ministry has been thinking over the matter.

SHRI MOHAN RAWLE: Mr. Speaker, Sir, my submission is that as per the existing arrangements the rate of interest charged on the loans given to the small scale industries by the banks is 19.5 percent to 30 per cent. I would like to know whether it is a fact and the Government propose to reduce it. The hon. Minister of Finance quote the examples of the countries like Italy, Korea etc, however in Italy itself...

MR. SPEAKER: You have asked a good question.

SHRI DALBIR SINGH: The rate of interest varies in accordance to the amount of loans. Those who get loans upto Rs. 7,500 have to pay 10 per cent interest, those who get Rs. 7,500 to 15,000 have to pay 11 percent, those who get Rs 15,000 to Rs. 25,000 have to pay 12 per cent interest; similarly those who get Rs. 25000 to Rs. 50000 have to pay 13 per cent and those who get above Rs. 50,000 have to pay 14 per cent interest.

SHRI MOHAN RAWLE: Mr. Speaker, Sir, the small scale industries in Maharashtra are on the verge of closure.

MR. SPEAKER: You are ignorant of the factual situation. You should collect information in that respect.

[*English*]

SHRI SRIKANTA JENA: The crux of the main question is regarding delayed payments. Unless a Bill is introduced and enacted here, this problem cannot be solved. I

know that the Small Industries Department have already finalised the Bill and the Bill is pending in the Ministry of Industry, for taking the approval of the Finance Ministry. The Bill is supposed to be introduced in the House... (*Interruptions*)

MR. SPEAKER: Do you have the information with you?

SHRI SRIKANTA JENA: Yes, I have the information with me.

MR. SPEAKER: Then you can show it to the Minister.

SHRI SRIKANTA JENA: I would like to know whether the Minister. In-charge and the Finance Ministry will take care and give the clearance immediately, so that the Ministry of Industry can bring the Bill in this House, in this session.

SHRI DALBIR SINGH: They can sent it to the Ministry of Industry.

[*Translation*]

Smuggling of Narcotics in Ghazipur and Varanasi districts of Uttar Pradesh

*632. SHRI ANAND RATNA MAURYA: Will the Minister of FINANCE be pleased to state:

(a) whether there has been steady increase in the smuggling of narcotics in Ghazipur and Varanasi Districts of Uttar Pradesh,

(b) if so, the steps taken to check the smuggling of narcotics in this area;

(c) the number of smugglers arrested during the last one year and the quantity of narcotics seized from them; and

(d) the steps being taken to contain the increasing consumption of narcotics in this area?

[*English*]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (d). A statement is laid on the Table of the House.

STATEMENTS

Statistics of seizures of Narcotics in the Ghazipur and Varanasi Districts, as given in the table below, do not indicate any increase in illict drug trafficking.

	Year	*Opium*	*Heroin*	*Ganja (Cannabis)*	*Charas (Hashish)*
			(Quantity in Kilograms)		
Varanasi District	1988	1.380	3.385	-	-
	1989	0.620	1.326+ 328 purias	20.100	-
	1990	0.090	1.970+ 836 purias	100.470+ 91 purias	0.500
	1991 (upto July)	0.010	0.811+ 896 purias	69.879+ 72 purias	0.450
Ghazipur District	1988	-	0.835	-	-
	1989	0.600	2.942	5.325	-
	1990	0.400	1.189	69.385	-
	1991 (up to July)	0.310	0.268	179.310	-